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## *Report to Shareholders*

**DeCOURSEY-BREWIS MINERALS LIMITED**

*as at October 31, 1963*

# DeCOURSEY-BREWIS MINERALS LIMITED

25 Adelaide Street West, Suite 416, Toronto, Ontario

## OFFICERS

ARTHUR W. WHITE - - - - -	President
LAWRENCE W. McILMURRAY - - - - -	Vice-President
H. RODNEY HEARD - - - - -	Secretary-Treasurer

## DIRECTORS

A. W. WHITE - - - - -	Toronto, Ontario
D. F. BURT - - - - -	Toronto, Ontario
J. J. WHITE - - - - -	Burlington, Ontario
R. G. WOLFE - - - - -	Anchorage, Alaska
W. A. EDMOND - - - - -	Aurora, Ontario
L. W. McILMURRAY - - - - -	Toronto, Ontario
L. V. BARBISAN - - - - -	Toronto, Ontario

## AUDITORS

McDONALD, NICHOLSON & CO.  
Toronto, Ontario

## CONSULTING GEOLOGIST

GEORGE L. HOLBROOKE  
Toronto, Ontario

## REGISTRAR AND TRANSFER AGENTS

THE STERLING TRUSTS CORPORATION  
372 Bay Street, Toronto, Ontario  
BANK OF NEW YORK  
New York City, U.S.A.

D E C O U R S E Y - B R E W I S      M I N E R A L S      L I M I T E D

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To the Shareholders:

After extensive consideration of the financial position of your Company, the Directors and Officers have devised and negotiated the plan now being presented to you. Notice of this plan was accepted for filing by the Toronto Stock Exchange subject to approval by the shareholders.

Details of the plan are included in the Notice of the Meeting and in the Notes to the Balance Sheet as at 31st October, 1963. Its effect on the financial position of the Company is reflected in the Pro Forma Balance Sheet as at 31st October, 1963 which forms part of this report.

Your Directors and Management view the principal advantages of this proposal to be as follows:

- (1) Conversion of advances to Alaska Mines and Minerals Incorporated to securities of that Company will give DeCoursey a controlling interest in it. This transaction will also improve the financial position of Alaska Mines and Minerals Incorporated.
- (2) Issuance of treasury shares by the Company in settlement of accounts payable to Dickenson Mines Limited and Mid-North Engineering Services Limited will relieve DeCoursey-Brewis of a heavy drain on its future cash resources.
- (3) Terms of the sale of its Red Lake property will permit the Company to retain a substantial interest in its most valuable asset.
- (4) The capital reorganization and underwriting will provide the Company with the means necessary to meet its remaining liabilities and finance future operations on a sound basis.
- (5) Implementation of the plan will permit the Company to retain listing of its shares on the Toronto Stock Exchange.

If you are unable to attend the meeting of shareholders to be held on January 20, 1964, kindly sign and return your proxy as soon as possible in order that you may be represented.

Respectfully submitted on behalf of the Board,

A. W. WHITE,  
President.

January 6, 1964.

# DeCOURSEY-BREWI

## BALANCE SHEET

### ASSETS

#### Current Assets

Cash in Banks	\$ 2,357.94
Cash in Banks (United States Funds)	1,339.98
Accounts Receivable	2,928.68 \$ 6,626.60
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#### Interest in Alaska Mines and Minerals Incorporated

Shares, at cost	\$259,856.00
Advances and Interest Receivable (United States Funds)	855,322.42
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#### Fixed Assets, at cost

Mining Claims and Properties	\$121,328.55
Preliminary Development, Administrative Costs and Other Charges, per Statement herewith	150,936.94
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	272,265.49

#### Other Assets

Interest in Outside Mining Companies and Mining Properties, at cost, less  
amounts written off:

Shares of Other Mining Companies	\$20,000.00
Exploration Expenditures on Outside Mining Properties, per Statement herewith	52,327.45 \$ 72,327.45
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Shares of Other Companies	2,000.00 74,327.45
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Organization Expense	5,947.61
	<hr/>
	\$ 1,474,345.57

To the Shareholders,  
DeCoursey-Brewis Minerals Limited,  
TORONTO, Ontario.

We have examined the Balance Sheet of DeCOURSEY-BREWIS MINERALS LIMITED as at 31st October, 1963, together with the Statement of Preliminary Development, Administrative Costs and Other Charges, Statement of Expenditure on Outside Mining Properties, Exploration Account and Statement of Deficit for the five months ended on that date. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

TORONTO, 12th December, 1963.

# MINERALS LIMITED

31st OCTOBER, 1963

## LIABILITIES

### Current Liabilities

Accounts Payable and Accrued Charges	\$ 148,476.53
Notes Payable	201,955.66
Note Payable (United States Funds)	70,000.00
Bond Interest Accrued (United States Funds)	7,500.00 \$ 427,932.19

### Shareholders' Equity

#### Capital Stock

Authorized 5,000,000 shares of par value \$1.00 each	<u>\$ 5,000,000.00</u>
Issued 3,866,390 shares	\$ 3,866,390.00
Less: Discount thereon	1,294,132.52
	<u>\$ 2,572,257.48</u>
Surplus arising from Reorganization of Capital Structure	43,066.05
	<u>\$ 2,615,323.53</u>
Less: Exploration Account, (at debit) per Statement herewith	\$ 926,766.15
Deficit, per Statement herewith	642,144.00 1,568,910.15 1,046,413.38

Approved on behalf of the Board:

A. W. WHITE, Director.

L. V. BARBISAN, Director.

\$ 1,474,345.57

The accompanying Notes form an integral part of this Statement.

In our opinion, the accompanying Balance Sheet and related Statements present fairly the financial position of the Company at 31st October, 1963, and the results of its operations for the five months ended on that date, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

MCDONALD, NICHOLSON & CO.,  
Chartered Accountants.

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**NOTES TO BALANCE SHEET**

**31st October, 1963**

By resolution of the Board of Directors, 13th November, 1963, the following plan of re-organization was approved:

- (a) to accept from Alaska Mines and Minerals Incorporated \$486,000 6% income debentures and 369,322 shares of that Company in full settlement of all its advances plus interest made to that Company in the sum of \$855,322.42.
- (b) to issue to Dickenson Mines Limited 832,131 of its treasury shares in full payment of its debt to Dickenson Mines Limited in the amount of \$83,213.10.

To issue to Mid-North Engineering Services Limited 301,479 shares of its capital stock in full payment of its obligations to that Company in the amount of \$39,570.77.

- (c) to sell an undivided 70% interest in 14 patented mining claims and 3 Licenses of Occupation in Balmer Township, Red Lake Mining Division, to Dickenson Mines Limited in consideration of Dickenson cancelling the debts owing by the Company to Dickenson in the amount of \$271,955.66.
- (d) to apply to the Lieutenant-Governor of the Province of Ontario for Supplementary Letters Patent which will provide for:
  1. change of its name to Consolidated Brewis Minerals Limited or such other name as may be approved by the Lieutenant-Governor of the Province of Ontario;
  2. decrease the authorized and issued capital of the Company from \$5,000,000 to \$1,250,000 by cancelling pro rata 3,750,000 shares with a par value of \$1.00 each; and
  3. increase the authorized capital of the Company from \$1,250,000 to \$5,000,000 by the creation of 3,750,000 shares with a par value of \$1.00 each ranking on a parity with the 1,250,000 shares with a par value of \$1.00 each remaining after the aforesaid cancellation.
- (e) to enter into an agreement with Dickenson Mines Limited whereby Dickenson will agree to purchase 125,000 new shares of the re-organized Company at 40¢ per share for a total consideration of \$50,000.00.

The Toronto Stock Exchange has accepted for filing under date of 21st November, 1963, the foregoing plan of re-organization subject to confirmation by the Shareholders of the Company.

D E C O U R S E Y - B R E W I S      M I N E R A L S      L I M I T E D

**STATEMENT OF PRELIMINARY DEVELOPMENT, ADMINISTRATIVE COSTS  
AND OTHER CHARGES**

For the five months ended 31st October, 1963

Balance, 1st June, 1963	\$150,753.61
Add:	
Property Taxes	183.33
Balance, 31st October, 1963	<u>\$150,936.94</u>

**STATEMENT OF EXPLORATION EXPENDITURE  
ON OUTSIDE MINING PROPERTIES**

For the five months ended 31st October, 1963

Exploration Expenses	
Diamond Drilling	\$ 1,797.75
Fees and Licenses	111.10
	<u>\$ 1,908.85</u>
Less: Royalty on Gold Production	1,583.79
Balance, 1st June, 1963	\$ 325.06
Balance, 31st October, 1963, transferred to Balance Sheet	<u>52,002.39</u>
Property Purchase and Option Payments	\$25,025.40
Exploration Expenditure	27,302.05
	<u>\$52,327.45</u>
	<u>\$52,327.45</u>

**EXPLORATION ACCOUNT**

For the five months ended 31st October, 1963

Administrative Expenses	
Foreign Exchange	\$ 893.18
Head Office Maintenance	1,250.00
Loan Interest	6,013.54
Printing, Stationery and Office Expense	14.94
Professional Services	225.00
Transfer Agent's Fees	18.25
	<u>\$ 8,414.91</u>
Outside Exploration Expenditures written off during the period	135.65
	<u>\$ 8,550.56</u>
Balance, 1st June, 1963	918,215.59
Balance, 31st October, 1963, transferred to Balance Sheet	<u>\$926,766.15</u>

**STATEMENT OF DEFICIT**

For the five months ended 31st October, 1963

Balance, 31st October, 1963 (no change during the five month period)	\$642,144.00
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# DeCOURSEY-BREWIS

## PRO FORMA BALANCE

After giving effect to the Plan

### ASSETS

#### Current Assets

Cash in Bank	\$ 52,357.94
Cash in Bank (United States Funds)	1,339.98
Accounts Receivable	2,928.68 \$ 56,626.60

#### Interest in Mining Companies and Mining Properties

Securities of Subsidiary, Alaska Mines and Minerals Inc., at cost (See Note 2)	\$ 1,115,178.42
Shares of Other Mining Companies, at cost	20,000.00
Exploration Expenditures on Outside Mining Properties, at cost, less amounts written off	52,327.45
30% Interest in 14 Patented Mining Claims and 3 Licenses of Occupation, Balmer Township, Red Lake Mining Division, at nominal value	1.00 1,187,506.87

#### Other Assets

Shares of Other Companies	\$ 2,000.00
Organization Expense	10,000.00 12,000.00
<hr/> <u>\$ 1,256,133.47</u>	

To the Directors,  
DeCoursey-Brewis Minerals Limited,  
25 Adelaide Street West,  
TORONTO, Ontario.

We have examined the Pro Forma Balance Sheet of DeCOURSEY-BREWIS MINERALS LIMITED as at 31st October, 1963. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

TORONTO, 30th December, 1963.

# MINERALS LIMITED

## BALANCE SHEET – 31st OCTOBER, 1963

Re-Organization set out in Note 1.

### LIABILITIES

#### Current Liabilities

Accounts Payable and Accrued Charges	\$ 35,925.05
Bond Interest Accrued (United States Funds)	1,320.00
	\$ 37,245.05

#### Shareholders' Equity

##### Capital Stock

Authorized 5,000,000 shares of par value \$1.00 each \$ 5,000,000.00

Issued 1,375,000 shares \$ 1,375,000.00

Less: Discount thereon 75,000.00

\$ 1,300,000.00

Surplus arising from Reorganizations of Capital Structure 1,487,798.57

\$ 2,787,798.57

##### Deduct:

Exploration Account, at debit \$ 926,766.15

Deficit Account 642,144.00 1,568,910.15 1,218,888.42

Approved on behalf of the Board:

A. W. WHITE, Director.

L. V. BARBISAN, Director.

\$ 1,256,133.47

The accompanying notes form an integral part of this Statement.

In our opinion, the accompanying Pro Forma Balance Sheet together with the Notes thereto presents fairly the financial position of the Company as at 31st October, 1963, after giving effect as at that date to the plan of re-organization set forth in Note 1 of the Notes to Pro Forma Balance Sheet in accordance with generally accepted accounting principles applied on a consistent basis.

MCDONALD, NICHOLSON & CO.,  
Chartered Accountants.

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**NOTES TO PRO FORMA BALANCE SHEET**

31st October, 1963

(1) By resolution of the Board of Directors, 13th November, 1963, the following plan of re-organization was approved:

- (a) to accept from Alaska Mines and Minerals Incorporated \$486,000 6% income debentures and 369,322 shares of that Company in full settlement of all its advances plus interest made to that Company in the sum of \$855,322.42.
- (b) to issue to Dickenson Mines Limited 832,131 of its treasury shares in full payment of its debt to Dickenson Mines Limited in the amount of \$83,213.10.  
To issue to Mid-North Engineering Services Limited 301,479 shares of its capital stock in full payment of its obligations to that Company in the amount of \$39,570.77.
- (c) to sell an undivided 70% interest in 14 patented mining claims and 3 Licenses of Occupation in Balmer Township, Red Lake Mining Division, to Dickenson Mines Limited in consideration of Dickenson cancelling the debts owing by the Company to Dickenson in the amount of \$271,955.66.
- (d) to apply to the Lieutenant-Governor of the Province of Ontario for Supplementary Letters Patent which will provide for:
  1. change of its name to Consolidated Brewis Minerals Limited or such other name as may be approved by the Lieutenant-Governor of the Province of Ontario;
  2. decrease the authorized and issued capital of the Company from \$5,000,000 to \$1,250,000 by cancelling pro rata 3,750,000 shares with a par value of \$1.00 each; and
  3. increase the authorized capital of the Company from \$1,250,000 to \$5,000,000 by the creation of 3,750,000 shares with a par value of \$1.00 each ranking on a parity with the 1,250,000 shares with a par value of \$1.00 each remaining after the aforesaid cancellation.
- (e) to enter into an agreement with Dickenson Mines Limited whereby Dickenson will agree to purchase 125,000 new shares of the re-organized Company at 40¢ per share for a total consideration of \$50,000.

The Toronto Stock Exchange has accepted for filing under date of 21st November, 1963, the foregoing plan of re-organization subject to confirmation by the Shareholders of the Company.

(2) After issuance of the securities referred to in paragraph (a) of Note 1, the Company will own 52.9% of the issued common shares of Alaska Mines and Minerals Inc.





# DeCOURSEY-BREWIS MINERALS LIMITED

25 Adelaide Street West  
TORONTO, ONTARIO

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## Notice of the Annual and a Special General Meeting of Shareholders

TAKE NOTICE that the Annual and a Special General Meeting of the Shareholders of DeCOURSEY-BREWIS MINERALS LIMITED (hereinafter called the "Company") will be held in Room 215 of the King Edward Sheraton Hotel, 37 King Street East, Toronto, Ontario, on Monday the 20th day of January, 1964, at the hour of 10:30 o'clock in the forenoon (local time), for the following purposes:

- (a) To receive and consider the report of the directors.
- (b) To receive and consider the financial statements for the period ended October 31st, 1963 and the report of the Auditors, McDonald, Nicholson & Co.
- (c) To elect directors.
- (d) To appoint auditors and authorize the directors to fix their remuneration.
- (e) To consider, and if thought advisable, approve all acts of the directors.
- (f) To consider, and if thought advisable, to confirm the action of the directors in accepting \$486,000 6% income debentures and 369,322 shares of Alaska Mines and Minerals Incorporated in full settlement of \$855,322.42, being all the Company's advances and interest thereon made to Alaska Mines and Minerals Incorporated.
- (g) To consider, and if thought advisable, to confirm the action of the directors in issuing to Dickenson Mines Limited 832,131 of the Company's treasury shares in full payment of interest accrued on its debt to Dickenson Mines Limited in the amount of \$83,213.10.
- (h) To consider, and if thought advisable, to confirm the action of the directors in issuing to Mid-North Engineering Services Limited 301,479

of the Company's treasury shares in full payment of its debt to Mid-North Engineering Services Limited in the amount of \$39,570.77.

- (i) To consider, and if thought advisable, to confirm, with or without variation, a Special Resolution passed by the directors of the Company on the 13th day of November, 1963, as follows:

RESOLVED as a Special Resolution that:

1. The Company do sell, transfer and convey unto Dickenson Mines Limited a 70% non-assessable interest in the Company's fourteen (14) patented mining claims and three (3) Licenses of Occupation, namely: Parcels Nos. 1879, 1882, 1885, 1886, 1880, 1881, 1883, 1884, 1887, 1876, 1877, 1867, 1868, 1869, and Licenses of Occupation Nos. LO 10813, 10814 and 10812, all being in the Township of Balmer in the District of Kenora, Patricia Portion, of record in the Land Titles Office at Kenora, in consideration of Dickenson Mines Limited cancelling and forever discharging the Company from all and every obligation to pay Dickenson Mines Limited the sum of \$271,955.66, being the total of actual advances made to the Company by Dickenson Mines Limited.
2. The directors and officers are hereby authorized and directed to do, sign and execute all things, deeds and documents for the due carrying out of the foregoing.

AND FURTHER TAKE NOTICE that the following director of the Company has declared the following interest in the said contract:

A. W. White is a shareholder, director and officer of Dickenson Mines Limited and the Company, and refrained from voting when the said contract was approved by the directors of the Company.

The said sale agreement between the Company and Dickenson Mines Limited will be available for inspection by the shareholders at any time during business hours at the office of the Company aforesaid.

- (j) To consider, and if thought advisable, to confirm, with or without variation, a Special Resolution passed by the directors of the Company on the 13th day of November, 1963, as follows:

RESOLVED as a Special Resolution that:

1. The Directors of the Company be and they are hereby authorized, empowered and directed to apply by Application to His Honour the Lieutenant-Governor of the Province of Ontario, for the issue of Supplementary Letters Patent:
  - (a) Reducing the capital of the Company to One Million, Two Hundred and Fifty Thousand Dollars (\$1,250,000), such reduction to be effected by:
    - (i) cancelling pro rata Three Million, Seven Hundred and Fifty Thousand (3,750,000) issued shares, each of the par value of One Dollar (\$1.00); and

- (ii) increasing the capital of the Company from One Million, Two Hundred and Fifty Thousand Dollars (\$1,250,000) to Five Million Dollars (\$5,000,000) by the creation of an additional Three Million Seven Hundred and Fifty Thousand (3,750,000) shares of the par value of One Dollar (\$1.00) each, each ranking on a parity with the existing shares of the Company.
  - (b) Changing the name of the Company to Consolidated Brewis Minerals Limited, or such other name as to His Honour the Lieutenant-Governor may seem fit and proper.
2. The President and the Secretary of the Company be and they are hereby authorized and empowered to do all things and execute and deliver all deeds, documents and writings necessary in the opinion of the Counsel for the Company to give full effect to the intent and meaning of this Special Resolution.
- (k) To consider, and if thought advisable, to confirm the action of the directors in entering into an underwriting agreement with Dickenson Mines Limited in which Dickenson Mines Limited has agreed to purchase 125,000 of the Company's unissued new shares (after re-organization) at a price of 40¢ per share.
  - (l) Generally to transact such other business as may be properly brought before the meeting.

Each shareholder who will not be able to attend the meeting personally is respectfully requested to sign and return to DeCoursey-Brewis Minerals Limited, 25 Adelaide Street West, Toronto, Ontario, the form of proxy annexed hereto.

DATED at Toronto this 6th day of January, 1964.

By Order of the Board,

H. R. HEARD,

Secretary.

